

CORRECTIVE ACTION PLAN

School District Name: Newark Public Schools

COUNTY Essex

Type of Examination: Internal Audit Unit Newark Public Schools Review of Legal Expenses

Date of Board Meeting: June 13, 2017

Contact Person: Charlotte Hitchcock

Telephone Number: 973-733-7139

RECOMMENDATION NUMBER	CORRECTIVE ACTION	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE
1. The District did not execute contracts with firms providing legal services.	The Office of General Counsel (Legal) together with the Procurement Department has ensured that a written contract is in place for all law firms retained by the District.	Legal prepared a list of all firms retained by the District. The Procurement Department, on behalf of Legal, mailed contract letters to any firm that did not have a contract o file.	Charlotte Hitchcock General Counsel	Immediately implemented.
#2 During FY 2015-2016, the District failed to follow State Administrative Code and New Jersey Public Schools Contract Law when retaining outside legal services.	In an aggressive effort to recruit Minority and Women-owned Business Enterprises (MWBEs), Legal conducted an extensive outreach for 12 months to encourage MWBE law firms, especially those based in Newark to participate in the May 2017 RFP for legal services. The District completed its bidding process on June 12, 2017 and presents a Resolution to the Board on June 13, 2017 to approve the list of firms. Of the 23 law firms that participated in the RFP process, 4 are MWBE firms and 6 have lead partners of color, and 7 have	Legal, with support from the Procurement Department, conducted a RFP bidding process.	Charlotte Hitchcock General Counsel	June 13, 2017.

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<p>#3 The District did not issue timely purchase orders for legal services.</p>	<p>law office based in Newark. Legal will exercise best efforts to eliminate confirming orders.</p>	<p>A purchase order will be acquired before the performance of any legal services.</p>	<p><i>Charlotte Hitchcock General Counsel</i></p>	<p>Immediately implemented.</p>
<p>#4 Some invoices presented by law firms and paid by the District lacked sufficient detail as required by State Administrative Code.</p>	<p>Only one law firm retained by the District failed to provide a full description of provided services on its invoice.</p>	<p>The law firm that did not provide sufficient detail on its invoice was instructed to do so on all future invoices.</p>		<p>Immediately implemented.</p>

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#5 Expenditures to three firms totaling \$148,024.00 were charged to the incorrect general ledger accounts.	The incorrectly charged accounts occurred during the transition of hiring a new Confidential Assistant to replace the previous individual who resigned. The new Confidential Assistant is now fully trained on all aspects of how to transfer and charge funds within the legal budget.	The Confidential Assistant reports to the Deputy Associate General Counsel, who reviews payment of all billings.	<i>Charlotte Hitchcock General Counsel</i>	Immediately implemented.
#6 The District did not publish legal notices in compliance with the requirements of New Jersey Public Schools Contract Law.	Legal conducted a RFP for legal services in May, 2017 and complied with all requirements for public bidding.	The District will adhere to the requirements of N.J.S.A.18A:18A-5.	<i>Charlotte Hitchcock General Counsel</i>	June 13, 2017.

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#7 The District's policies and procedures are in need of updating to comply with current standards.	Currently, all District policies and procedures have been updated. During the SY 2015-16 time of the OFAC Audit, only a few policies and procedures had not been updated.	Upon receipt of new policy updates from New Jersey School Board Association, Legal revises any applicable policy and submits the revised policy to the appropriate Board Committee for review and then to the Board for vote by Resolution.	Charlotte Hitchcock General Counsel	Immediately implemented.

Christophe Coy
CHIEF SCHOOL ADMINISTRATOR

6/13/17
DATE

[Signature]
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY

6/13/17
DATE

CC: County Superintendent